Guide to State Regulations Affecting Freestanding Ambulatory Surgery Providers in Maryland*

Stephen J. Salamon Chairman

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Maryland Health Care Commission – General Information

The Maryland General Assembly established the Maryland Health Care Commission (MHCC) in 1999 by merging the Health Care Access and Cost Commission and the Maryland Health Resources Planning Commission. MHCC is a public, regulatory commission. The 13 Commissioners are appointed by the Governor. Some of the Commission's responsibilities include:

- Develop and administer the State Health Plan for Facilities and Services, which guides decisionmaking under the Certificate of Need program and establishes key health care policies for the State; and
- Administer the Certificate of Need program through which certain actions by health care facilities, including the development of a new health care facility or service, are subject to review and approval by the Commission;
- Regulate the electronic transmission of health care claims;
- Develop and administer a plan for health insurance for small businesses and the self-employed that includes affordable, standardized, comprehensive benefits;
- Annually evaluate and publish findings on the quality and performance of commercial HMOs that operate in Maryland;
- Evaluate and publish findings on the quality and performance of nursing homes, hospitals and ambulatory surgery facilities that operate in Maryland;
- Create a database of expenditures and utilization of health care services provided in settings other than hospitals.

Annual Maryland Freestanding Ambulatory Surgical Facility Survey

- ⇒ All Maryland non-hospital ambulatory surgery providers are required to complete the MHCC's annual *Maryland Freestanding Ambulatory Surgical Facility Survey*. The survey is conducted in the second quarter of the year and surveys the preceding calendar year. The survey is Internet based and is completed and submitted online.
- ⇒ Ambulatory surgery providers should begin collecting necessary data as soon as surgical cases are performed at the center in anticipation of completing the survey. Providers are responsible for submitting data for any part of the year the center is operational. If the center closes mid-year, please make arrangements with MHCC to complete the survey. A list of the survey data fields is available from the MHCC upon request.

Developing New Ambulatory Surgery Capacity

⇒ Developing any new ambulatory surgery capacity in Maryland requires obtaining from the MHCC either a Certificate of Need (CON) or a written determination stating that your proposed center does not require a CON. Developing a facility with two (2) or more operating rooms requires a CON. A physician's office seeking to establish one operating room may not need a CON, but requires a determination of coverage under the CON rules. To begin the process, please contact

the Commission staff for a list of the information you need to provide in order to receive a CON or a determination of coverage letter (See COMAR 10.24.01.05).

- ⇒ Determination letters are effective for two (2) years from the date the letter is issued. If the operating room capacity is not implemented within two years, a new determination letter must be obtained from the MHCC.
- ⇒ If your project includes new construction, DHMH, Office of Plans Review. can review your plans to determine compliance with all state licensure and federal certification regulations.

Making Changes to Your Plans Before Opening

⇒ You must notify the MHCC in writing 45 days in advance if you intend to make any of the following changes to your plans to develop ambulatory surgery capacity (See COMAR 10.24.01.05).

Examples of the types of changes requiring notification include;

Change in ownership
Change in legal structure
Change in floor plan
Change in location
Change in operating and/or procedure room capacity

Opening Your New Surgery Center

- ⇒ All ambulatory surgery centers seeking third party reimbursement for a facility fee must obtain a license from the Office of Health Care Quality. A determination of coverage letter or a CON from the MHCC is required by OHCQ in order to obtain a license (see COMAR 10.05.05).
- ⇒ The licensing and certification process requires:

Medicare certification Fire Marshall Survey Licensing survey

Making Changes to Your Existing Ambulatory Surgery Center

⇒ You must notify MHCC and OHCQ in writing of the following planned changes to your existing ambulatory surgery center at least 45 days prior to implementation of any of these changes (see COMAR 10.24.01.05)

Center name
Specialties provided
Ownership
Addition of new physicians
Legal structure
Closure of surgery center
Change in floor plan
Change in surgical capacity

Moving or Expanding Your Ambulatory Surgery Center

- ⇒ If you are planning to move your center to another location and/or are considering a change in operating room capacity, you must reapply to the MHCC for a new CON or, in the case of a single operating room, a new determination of coverage, at least 45 days in advance (See COMAR 10.24.01.05). Increasing surgical capacity may require a CON.
- ⇒ You must also contact OHCQ as soon as possible before your move. Please notify OHCQ with an effective date of the move to schedule an on-site inspection and to arrange for a replacement license.

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^{*}This guide is intended to illustrate basic principles of CON regulation of ambulatory surgical facilities. It is not intended to provide authoritative guidance or legal advice. Consult applicable State law and regulation for complete information.